

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 957 w/CS Commercial Motor Vehicles
SPONSOR(S): Ryan
TIED BILLS: **IDEN./SIM. BILLS:** SB 714

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Highway Safety (Sub)	6 Y, 1 N	Garner	Miller
2) Transportation	18 Y, 0 N w/CS	Garner	Miller
3) Transportation & Econ. Dev. Apps. (Sub)			
4) Appropriations			
5)			

SUMMARY ANALYSIS

HB 957 w/CS provides that any person engaged in the retrofitting, rebuilding or modifying of commercial trucks, truck tractors or heavy trucks into dump trucks must have evidence of garage liability insurance. The policy must include at least \$1,000,000 combined single-limit liability coverage including bodily injury and property damage protection, and \$500,000 personal injury protection. Evidence of such insurance must be available at all reasonable hours for inspection by any law enforcement officer.

The bill also provides that a person engaged in the retrofitting, rebuilding or modifying of commercial trucks, truck tractors or heavy trucks into dump trucks must ensure that the dump trucks comply with all applicable federal safety standards. Any person violating these provisions commits a second-degree misdemeanor. Any person committing a second violation commits a first-degree misdemeanor. A third or subsequent violation is punishable as a third-degree felony.

The bill takes effect October 1, 2003.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME: h0957b.tr.doc
DATE: April 10, 2003

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. DOES THE BILL:

- | | | | |
|--------------------------------------|------------------------------|--|---|
| 1. Reduce government? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | N/A <input type="checkbox"/> |
| 2. Lower taxes? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. Expand individual freedom? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | N/A <input type="checkbox"/> |
| 4. Increase personal responsibility? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. Empower families? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

Reduce Government?

The bill imposes new insurance requirements on owners of garages that modify commercial motor vehicles into dump trucks, and impose criminal penalties for failing to carry the insurance and ensure that the retrofitted trucks meet federal safety standards.

Expand individual Freedom?

The bill criminalizes behavior that is currently legal, and requires certain garage owners to maintain insurance policies not currently required by law.

B. EFFECT OF PROPOSED CHANGES:

Current Situation

Dump trucks are not built as dump trucks at the original manufacturer's factory. Generally, dump trucks are built by garages or secondary manufacturers who retrofit commercial trucks manufactured for a different purpose. Proponents of the bill are concerned that modifying the original manufacturer's design by retrofitting commercial trucks into dump trucks may result in trucks that are unsafe on the highways of Florida.

Under current law, the Department of Highway Safety and Motor Vehicles (DHSMV) issues commercial motor vehicle registrations and titles that reflect the gross vehicle weight (GVW) of the commercial motor vehicle. If the GVW of a commercial vehicle changes, or is modified, DHSMV will accept changes to registrations and titles in the gross vehicle weight of the commercial vehicle based on the declaration of the owner. Upon such a declaration for an amended registration, DHSMV collects additional license taxes based on the new weight designation, if it is required. Title re-issuance is only required if the owner changes the body of the commercial vehicle. In such a case, the owner must submit a change of body affidavit. Because changes in registration and title are made only upon declaration of the owner, DHSMV does not make revocations based on changes in GVW. Fines are assessed only if the commercial motor vehicle is cited for having a load greater than the declared GVW.

However, Florida law does not contain provisions that address directly the retrofitting of commercial trucks into dump trucks.

Effect of Proposed Changes

HB 957 w/CS provides that any person engaged in the retrofitting, rebuilding or modifying of commercial trucks, truck tractors or heavy trucks into dump trucks must have evidence of garage liability insurance. The policy must include at least \$1,000,000 combined single-limit liability coverage

including bodily injury and property damage protection, and \$500,000 personal injury protection. Evidence of such insurance must be available at all reasonable hours for inspection by any law enforcement officer.

The bill also provides that a person engaged in the retrofitting, rebuilding or modifying of commercial trucks, truck tractors or heavy trucks into dump trucks must ensure that the dump trucks comply with all applicable federal safety standards. Any person violating these provisions commits a second-degree misdemeanor. Any person committing a second violation commits a first-degree misdemeanor. A third or subsequent violation is punishable as a third-degree felony.

C. SECTION DIRECTORY:

Section 1. Creates s. 316.570, F.S., requiring certain garages to maintain liability insurance, requiring those garages to ensure their products meet federal safety standards, and providing criminal penalties.

Section 2. Provides an effective date of October 1, 2003.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill will require garage owners who retrofit commercial motor vehicles into dump trucks to maintain \$ 1 million combined single-limit liability coverage, including bodily injury and property damage protection, and \$ 500,000 personal injury protection. The cost and availability of such insurance is unknown but would be based on insurance industry market conditions and the insurability of a particular business.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable because this bill does not appear to: require cities or counties to spend funds or take actions requiring the expenditure of funds; reduce the authority that cities or counties have to raise revenues in the aggregate; or reduce the percentage of a state tax shared with cities or counties.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

HB 957 does not require any grant or exercise of rule-making authority to implement its provisions.

C. DRAFTING ISSUES OR OTHER COMMENTS:

Some question was raised by the Committee on Transportation whether the insurance policies required in HB 957 w/CS are made available by insurers.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

Highway Safety Subcommittee

On April 2, 2003, the Highway Safety Subcommittee recommended one strike-all amendment that substantially changed the bill, and reported the bill favorably as amended.

The amendment provides that any person engaged in the retrofitting, rebuilding or modifying of commercial trucks, truck tractors or heavy trucks into dump trucks must have evidence of garage liability insurance. The policy must include at least \$1,000,000 combined single-limit liability coverage including bodily injury and property damage protection, and \$500,000 personal injury protection. Evidence of such insurance must be available at all reasonable hours for inspection by any law enforcement officer. The amendment also provides that a person engaged in the retrofitting, rebuilding or modifying of commercial trucks, truck tractors or heavy trucks into dump trucks must ensure that the dump trucks comply with all applicable federal safety standards. Any person violating these provisions commits a second-degree misdemeanor. Any person committing a second violation commits a first-degree misdemeanor. A third or subsequent violation is punishable as a third-degree felony.

Committee on Transportation

On April 9, 2003, the Committee on Transportation adopted the strike-all amendment recommended by the subcommittee, and reported the bill favorably as amended with a committee substitute.